

SLIP-SHOD LEGISLATION.

THE object of legislation is to improve the existing condition of things, but it is not always successful. It often makes and often mars. The experience of this Province shows that in the matter of law our legislation is not behind other countries in an approach to perfection; yet whenever our legislation attempts to frame regulations for commercial transactions, there is frequently a break down. Whether it is that our politicians are mostly lawyers,—men of theory and not of practice,—it is a truth which cannot be gainsaid that when they approach a subject of an entirely practical nature, their work is not only incomplete but frequently injurious.

A very strong proof of this assertion is to be found in the Bankrupt law, which has been in force since last September. For years the commercial community had imperatively demanded a law, by which the relations between debtor and creditor could be justly regulated, and the provisions of which should protect the interests of both. Several attempts were made to enact such a measure, but for the most part without success, the measures proposed were too cumbrous, too expensive, and altogether inadequate for the purpose contemplated. Last year, after long delays and very grave deliberations, an act was introduced, supposed to have been the result of the joint efforts of the Solicitors General East and West of the then previous Government—Hon. Adam Wilson and Hon. J. J. C. Abbott. This measure was about the last objectionable of any yet proposed, and as such it was accepted by the Legislature and the people. The commercial community have now had nearly a year's experience of its operation, and it is safe to say that no law of recent years has been so productive of bad results. It has caused an infinite amount of trouble and anxiety to merchants, and has covered an extent of villainy and rascality that no single year in our history ever before witnessed. The principle of the law is a good one, and its general provisions are comprehensive and efficient; but through neglect of a few very simple precautions it has been made to work very much to the detriment of commercial interests. It unfortunately went into operation during a period in which there has been a good deal of depression, and a very general inability to meet payments as they matured; the consequence has been that the clauses which provide for the protection of the honest man have served as the cloak under which the rogue could legally rob his creditors. Where there has been one case in which the law has been subservient to the interest of the creditor, there have been fifty in which it has been detrimental to them. Disgraceful preferences have been permitted throughout Upper Canada, through the facility with which judgment has been obtained by the favoured creditors; compromises have been forced upon the wholesale merchant and discharges obtained, when such losses never should have been sustained, nor the individuals again permitted to resume business. We are willing to admit that in some cases, where honesty has been the disposition of the trader, an equitable distribution of the estate has been reached by this law, which under previous Acts might not have been attained. We are also free to acknowledge, that in some instances swindles have been prevented by the operations of the law; but we repeat that in the majority of the cases, which have come under our notice, creditors have been forced into a position which they never should have occupied.

Thus, so far as the operations of the law have been concerned, there is good ground for the conclusion, that if, with one year's experience this is the result, what may we expect when all the lawyers in the country get a thorough understanding of the deficiencies of the Act, and the ease with which many of its provisions may be evaded?

We are led to this view of the matter by a close perusal of a very valuable work just issued on the subject, namely, "A Review of the Insolvent Act of 1864, by Désiré Girouard." The book is ably and clearly written, and imparts a knowledge of the law which cannot fail to be of service to commercial men. It should be in the hands of every merchant. It is necessary, now that Parliament is about to assemble, that the improvements which are suggested in this work should be thoroughly discussed, and brought to the attention of the Legislature. We direct particular attention to some important points raised by Mr. Girouard, and among them the following:

In the important duty of appointing an Assignee, it is not necessary, according to the Act, to have a ma-

jority of the Creditors in number and value, but merely a numerical majority of those creditors who are present at the meeting. This, we know, is contrary to the general impression, but Mr. Girouard proves conclusively, that from the exact reading of the law this is the correct interpretation. Mr. Abbott, of course, thinks differently, and in his commentary on the law, so expresses himself, but, as Mr. Girouard truly says, "we have not to deal with the secret intent of the legislator, but with the text as laid down in the Act." There is nothing, apparently, to prevent a few petty local creditors, whose interests in the estate extend no farther, perhaps, than one hundred dollars each, from defeating those who may be interested in it to the extent of thousands. Again, it does not appear necessary by the Act, as soon as an assignee is appointed, that the debtor can be compelled to make an assignment. The bankrupt may wait for an indefinite period, during which time he can make away with a large part of his estate and fly the country, while, under the provisions of this Act he cannot be stopped, and it is only by the action of other laws that he can be interfered with. Why not compel him immediately to assign? Further, the notice which he gives, of an intended meeting of creditors, may be of a very indefinite character. The law requires at least two weeks' notice, but it does not say whether it may not be longer: if he has a right to name a date three weeks or a month hence for meeting, what is to prevent him from making it six months or a year? In the meantime what guarantee have the creditors that the whole estate may not be exhausted or squandered? The bankrupt himself is the controller of these important delays, and, except under a compulsory liquidation,—to which resort may only be had when it is too late, he plays a game in which all the trumps are in his own hands.

We have not space to speak further of the impunity with which he can defeat the law and defraud his creditors, nor of the ease with which, in spite of the latter, he can obtain a judicial discharge. It is clear that the hope of such a discharge is a most powerful motive to him to diminish his assets, and make his estate appear as poor as possible.

The whole subject is one which calls for immediate action on the part of the commercial community. The risks and difficulties of business are quite sufficient at any time, but they are enhanced and augmented by the presence on our statute book of a law so incomplete and dangerous. We believe a good bankrupt law would be a great boon to the country, but like all other things, "the greater the good the nearer the evil." Better be altogether without a bankrupt law than have an imperfect one; and we hope the present session will not be allowed to pass without those most interested making themselves heard on the question. The amendments required are of a highly important nature, yet so simple in character that they can readily be added to the amendment now before the House; and it will be too bad if the opportunity shall be allowed to pass of remedying what has been—and, if not corrected, what must continue to be—a very great defect in the business regulations of the country.

Happy to hear it.

Hon. John A. McDonald, in his recent speech at Kingston, stated that "England would lavish her strength and her money on Canada—money to improve the country not for some body else but for ourselves—money at English and not at Canadian rates." If this is to be a result of the honourable gentleman's mission to England, we are sure the country is to be congratulated upon the prospect. When may we expect the first remittance?

The Stock Market.

There has not been so much business doing this week, chiefly from the supply not being equal to the demand. An advance on our quotations would be submitted to, could orders be readily filled. Bank of Montreal stock has been placed at 111½ to 112. La Banque du Peuple at 100½. A large amount of Gore Bank has been placed at 88 to 88½.

Sterling exchange continues steady. Bank bills from 108½ to 109.

Groceries.

We have no new feature whatever to remark in this department. The business for the week has been restricted to very small transactions, and in no article do we notice a change in price.

VALUE OF COLONIES—EMIGRATION, &c.

WE have great pleasure in presenting our readers with the following correspondence:

GOVERNMENT IMMIGRATION OFFICE,
QUEBEC, 31st July, 1865.

To the Editor of the Trade Review.

SIR,—The enclosed extracts, taken from returns made to the Imperial Parliament, of the imports and exports of the various Colonies, as compared with France, Russia, and the United States, have been forwarded to me by Mr. Bates, Secretary of the National Colonial Emigration Society in London, with permission to make any use of them I may think proper. As I have lately observed several interesting articles in the *Trade Review*, bearing upon questions of commercial and international policy I take the liberty of sending these extracts to you, with Mr. Bates' letter to me on the subject, in case you may deem them worthy of publication.

I quite concur with your views on Emigration matters and I hope you will continue to advocate the adoption of liberal measures towards the settlement of our wild lands so valuable to us without population.

I have the honour to be, sir, your obedient servant,
A. C. BUCHANAN, Chief Agent.

No. 44 CHURCH CROSS,

LONDON, July 15th, 1865.

The accompanying Colonial and Foreign statistics of imports, exports, tonnage, &c., is taken from a return made to Parliament this year. I have added to it a calculation of the Colonial and Foreign imports per head of their population from the United Kingdom, for the purpose of showing by comparison what is the commercial value of the Colonies annexed to the mother country, as indicated by their trade with it. It will be seen that Canada, as compared with other Colonies, imports considerably less from the United Kingdom, but it must not be forgotten that a large portion of Canadian imports from this country pass (especially during the winter months) through the United States, and are consequently reckoned as United States imports. Probably the Canadian Government may have some account of those imports. It may, I think, be fully estimated that the United States imports of British goods for consumption in the United States did not exceed in 1860 those of France in 1863, being twelve shillings and eight pence per head. As regards the small amount of imports per head to India, it must be borne in mind that of the whole population only 100,000 is British, including the army. It should, however, be stated, that of the 442,000 imported, £20,000,000 was bullion and specie. The Cape of Good Hope population comprises 165,000 aborigines, that of Natal 131,000, and of the New Zealand Islands, 55,000 are aborigines, the majority of whom from their mode of life and habits of living, would not enter into the class of consumers of British produce.

It will be seen that the exports from the Colonies to the United Kingdom, and the tonnage of British ships, contrasts favourably with those of the foreign states referred to.

The Emigration Statistics, which are annexed and compiled from the Emigration Commissioners' returns, will be seen by comparing this with the above returns what an important bearing Emigration has upon the trade and prosperity of the mother country, and the great loss per head of trade, which the emigration of such large numbers to the United States has inflicted upon this country. Had 2,000,000 of those who have settled in the United States have fixed themselves in Canada, this country would probably have been exporting to your Province £9,000,000 annually; at the same time an enormous impetus would have been given towards developing the vast resources of your valuable territory.

The returns, now sent, it is proposed to circulate widely through this country, in the hope that it may arouse our legislators, public men, and, not least, our manufacturers and traders, to see the greater importance of our Colonial trade, and that it may awaken them to a sense of what is due to their own interests, if it is their desire that their commerce may continue to progress, and the Colonies to grow in strength so as to be able to stand side by side with Britannia whenever the conflict of nations may come.

JOHN BATES,

Sec. National Colonial Emigration Society.

*Mr. Bates does not appear to understand that nearly all the purchases in foreign markets on Canadian account (if landed in the United States, are brought through that country in bond and that the £4,166,075, reported in the following table, fully comprises all our purchases in Britain in 1863.